UNITED NATIONS CONFERENCE
ON TRADE AND DEVELOPMENT

REPORT
OF THE TRADE
AND DEVELOPMENT BOARD

Volume I

(Second part of the thirty-fifth session)

GENERAL ASSEMBLY

OFFICIAL RECORDS: FORTY-FOURTH SESSION

SUPPLEMENT No. 15 (A/44/15)

UNITED NATIONS

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UNITED NATIONS

New York, 1990

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Symbols

The documents of the United Nations Conference on Trade and Development, the Trade and Development Board and its main subsidiary bodies are identified as follows:

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The three volumes of the Proceedings of the United Nations Conference on Trade and Development, Seventh Session, are as follows: volume I, Report and Annexes (United Nations publication, Sales No. E.88.II.D.1), containing, inter alia, the Conference's resolutions and decisions; volume II, Summaries of Statements by Heads of Delegation and Summary Records of Plenary Meetings (Sales No. E/88.II.D.2); volume III, Basic Documents (Sales No. E.88/II.D.3).

Symbols referring to resolutions and decisions of the sessions of the Conference consist of an arabic numeral followed by "(II)", "(III)", "(IV)", "(V)", "(VI)" or "(VII)", as the case may be, thus 1 (II), 36 (III), 85 (IV), 101 (V), 136 (VI), 168 (VII), etc.

Symbols referring to resolutions and decisions of the Board consist of an arabic numeral, indicating the serial number of the resolution or decision, and a roman numeral in parentheses, indicating the session at which the action was taken.

Annexes

The texts of documents selected for inclusion in the records of the relevant session of the Board are issued as annexes to the Official Records of the Board, in the form of bound fascicles pertaining to the relevant agenda items.

Supplements

The Official Records of the Board include numbered supplements as follows:

Supplement No.	Thirty-fifth session of the Board	Document No.
	First part (19-30 September 1988 and 5 October 1988)	
1 (Part I)	Report of the Board: Resolutions and decisions)	TD/B/1193
1A (Part I)	Report of the Board: Proceedings)	
2	Report of the Special Committee on Preferences on its fifteenth session	TD/B/1177-TD/B/C.5/116
	Second part (6-17 March, on 22 March and 19 May 1989)	
1 (Part II)	Report of the Board: Resolutions and decisions	TD/B/1211 (vol. I)
1A (Part II)	Report of the Board: Proceedings	TD/B/1211 (vol. II)
2	Report of the Working Party on the Medium-term Plan and the Programme Budget on its sixteenth session	TD/B/1198-TD/B/WP/60
3	Report of the Committee on Commodities on its thirteenth session	TD/B/1201-TD/B/C.1/304
4	Report of the Committee on the Transfer of Technology on its seventh session	TD/B/1203-TD/B/C.6/151
5	Report of the Working Party on the Medium-term Plan and the Programme Budget on its seventeenth session	TD/B/1218-TD/B/WP/63
	First part (2-13 October and 18 October 1989)	
1 (Part I)	Report of the Board: Resolutions and decisions)	TD/B/1234
1A (Part I)	Report of the Board: Proceedings)	

Supplement No.	Thirty-fifth session of the Board	Document No.
2	Report of the Special Committee on Preferences on its sixteenth session	TD/B/1219-TD/B/C.5/125
3	Report of the Committee on Economic Co-operation among Developing Countries on its fifth session	TD/B/1217-TD/B/C.7/93

(Second part (12-23 March 1990)

[To be listed in volume II]

[Original: English]

[14 March 1990]

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Prefatory note

The twenty-fifth annual report of the Trade and Development Board 1/ is submitted to the General Assembly, in conformity with Assembly resolution 1995 (XXIX) of 30 December 1984. The report covers the period from 6 October 1988 to 18 October 1989 and consists of the reports on the second part of the thirty-fifth regular session, held from 6 to 17 and on 22 March and 16 May 1989, and the first part of the thirty-sixth regular session, held from 2 to 13 and on 18 October 1989.

In the period preceding the second part of the thirty-fifth regular session of the Board, the subsidiary organs of the Board indicated below met. Particulars of their sessions are given below:

Title	Session	Dates	Report
Working Party on the Medium-term Plan and the Programme Budget	Sixteenth session	21-25 November 1988	TD/B/1198-TD/B/WP/60
Committee on Commodities	Thirteenth session	5-13 December 1988	TD/B/1201-TD/B/C.1/304
Committee on Transfer of Technology	Seventh session	22-31 January and 2 February 1989	TD/B/1203-TD/B/C.6/151
Special Committee on Preferences	Sixteenth session	24-28 April 1989	TD/B/1219-TD/B/C.5/125
Working Party on the Medium-term Plan and the Programme Budget	Seventeenth session	8-12 May 1989	TD/B/1218-TD/B/WP/63

Notes

1/ The 24 previous annual reports of the Trade and Development Board are contained in Supplements to the Official Records of the General Assembly, as follows:

Annual report	Period	General Assembly session	Supplement No.	Document No.
1st	1 January 1965-29 October 1965	20	15	A/6023/Rev.1
2nd	31 October 1965-24 September 1966	21	15	A/6315/Rev.1 and Corr.1
3rd	25 September 1966-9 September 1967	22	14	A/6714
4th	10 September 1967-23 September 1968	23	14	A/7214
5th	24 September 1968-23 September 1969	24	16	A/7616 and Corr.2

Notes (continued)

Annual report	Period	General Assembly session	Supplement No.	Document No.
6th	24 September 1969-13 October 1970	25	15	A/8015/Rev.1 and Corr.1
7th	14 October 1970-21 September 1971	26	15	A/8415/Rev.1
8th	22 September 1971-25 October 1972	27	15	A/8715/Rev.1 and Corr.1
9th	26 October 1972-11 September 1973	28	15	A/9015/Rev.1
10th	12 September 1973-13 September 1974	29	15	A/9615/Rev.1
11th	14 September 1974-2 October 1975	30	15	A/10015/Rev.1
12th	3 October 1975-23 October 1976	31	15	A/31/15, vol. I and Corr.1 and vol. II
13th	24 October 1976-10 September 1977	32	15	A/32/15, vol. I and Corr.1 and vol. II
14th	11 September 1977-17 September 1978	33	15	A/33/15, vol. I and vol. II
15th	18 September 1978-23 November 1979	34	15	A/34/15, vol. I and vol. II
16th	24 November 1979-27 September 1980	35	15	A/35/15, vol. I and vol. II
17th	28 September 1980-6 November 1981	36	15	A/36/15 and Corr.1
18th	7 November 1981-28 October 1982	37	15	A/37/15, vol. I and vol. II
19th	29 October 1982-2 November 1983	38	15	A/38/15, vol. I and Corr.1 and vol. II and Corr.1
20th	3 November 1983-27 September 1984	39	15	A/39/15, vol. I and vol. II
21st	28 September 1984-27 September 1985	40	15	A/40/15, vol. I and vol. II

Notes (continued)

Annual report	Period	General Assembly session	Supplement No.	Document No.
22nd	28 September 1985-3 October 1986	41	15	A/41/15, vol. I and vol. II
23rd	4 October 1986-21 October 1987	42	15	A/42/15, vol. I and vol. II
24th	22 October 1987-5 October 1988	43	15	A/43/15, vol. I and vol. II

2/ For technical reasons, the report is issued in two volumes: volume I, containing the report of the Board on the second part of its thirty-fifth session, and volume II, containing the report of the Board on the first part of its thirty-sixth session.

I. INTRODUCTION

1. The present report to the General Assembly has been prepared in accordance with the guidelines adopted by the Trade and Development Board in the annex to its decision 302 (XXIX) of 21 September 1984. 1/

2. The second part of the thirty-fifth session of the Board, held at Geneva from 6 to 17 March (742nd to 750th meetings), on 22 March (751st meeting) and on 19 May 1989 (752nd meeting), was opened by Mr. Tobgye S. Dorji (Bhutan), President of the Board at its thirty-fifth session.

A. Agenda

3. The agenda for the second part of the session is reproduced in annex I.

B. Bureau

4. The Bureau of the Board at the second part of the thirty-fifth session was as follows:

President: Mr. Tobgye S. Dorji (Bhutan)

Vice-Presidents: Mr. Emilio Artacho (Spain)
Mr. Emeka Ayo Azikiwe (Nigeria)
Mr. Raúl España Smith (Bolivia)
Mr. Farouk Kasrawi (Jordan)
Mr. de Montigny Marchand (Canada)
Mr. José Enrique Mejia Ucles (Honduras)
Mr. Youssef Mokaddem (Tunisia)
Mr. Joseph C. Petrone (United States of America)
Mr. Gerald Philipp (German Democratic Republic)
Mr. T. V. Teodorovich (Union of Soviet Socialist Republics)

Rapporteur: Mr. Kees Jan René Klompenhouwer (Netherlands)

Sessional Committee I

Chairman: Mr. John A. Sankey (United Kingdom of Great Britain and Northern Ireland)

Vice-Chairman-cum-Rapporteur: Mr. A. Miguel Zalles Denegri (Bolivia)

Sessional Committee II

Chairman: Mr. Hani Khallaf (Egypt)

Vice-Chairman-cum-Rapporteur: Mr. A. N. Rybak (Ukrainian Soviet Socialist Republic)

C. Membership and attendance

5. The following members of UNCTAD, members of the Board, were represented at the session:

Afghanistan
Algeria
Angola
Argentina
Australia
Austria
Bahrain
Bangladesh
Belgium
Bhutan
Bolivia
Brazil
Bulgaria
Burma
Byelorussian Soviet Socialist Republic
Cameroon
Canada
Chile
China
Colombia
Congo
Costa Rica
Côte d'Ivoire
Cuba
Czechoslovakia
Democratic People's Republic of Korea
Democratic Yemen
Denmark
Dominican Republic
Ecuador
Egypt
El Salvador
Finland
France
Gabon
German Democratic Republic
Germany, Federal Republic of
Ghana
Greece
Guatemala
Haiti
Honduras
Hungary
India
Indonesia
Iran (Islamic Republic of)
Iraq
Ireland
Israel
Italy
Jamaica
Japan
Jordan
Kenya
Kuwait
Lebanon
Libyan Arab Jamahiriya
Madagascar
Malaysia
Malta
Mexico
Morgolia
Morocco
Namibia
Nepal
Netherlands
New Zealand
Nicaragua
Nigeria
Norway
Pakistan
Panama
Peru
Philippines
Poland
Portugal
Qatar
Republic of Korea
Romania
Saudi Arabia
Senegal
Singapore
Somalia
Spain
Sri Lanka
Sudan
Sweden
Switzerland
Syrian Arab Republic
Thailand
Trinidad and Tobago
Tunisia
Turkey
Ukrainian Soviet Socialist Republic
Union of Soviet Socialist Republics
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Uruguay
Venezuela
Viet Nam
Yemen
Yugoslavia
Zaire
Zambia
Zimbabwe

6. The following other States members of UNCTAD, not members of the Board, were represented at the session: Democratic Kampuchea and the Holy See.

7. The Pan Africanist Congress of Azania participated pursuant to General Assembly resolution 3280 (XXIX).

8. The Economic Commission for Europe (ECE) and the United Nations Development Programme (UNDP) were represented at the session. The International Trade Centre UNCTAD/GATT was also represented.

9. The following specialized and related agencies were represented at the session: the Food and Agriculture Organization of the United Nations (FAO); the World Health Organization (WHO); the World Bank; the International Monetary Fund (IMF); the World Intellectual Property Organization (WIPO); and the United Nations Industrial Development Organization (UNIDO). The General Agreement on Tariffs and Trade (GATT) was also represented.

10. The following intergovernmental organizations were represented at the session: the Council for Mutual Economic Assistance (CMEA); the European Economic Community (EEC); the Inter-American Development Bank (IDB); the Intergovernmental Committee for Migration; the International Centre for Public Enterprises in Developing Countries; the International Textiles and Clothing Bureau; the Latin American Economic System (SELA); the League of Arab States (LAS); the Organisation for Economic Co-operation and Development (OECD); the Organization of African Unity (OAU); the Organization of Petroleum Exporting Countries (OPEC); and the Permanent Secretariat of the General Treaty on Central American Economic Integration.

11. The following non-governmental organizations were represented at the session:

(a) General category: the Friends World Committee for Consultation (Quakers); the International Chamber of Commerce; the International Confederation of Free Trade Unions; and the International Foundation for Development Alternatives;

(b) Special category: the International Air Transport Association; and the International Association of Islamic Banks.

D. Resolution and decisions requiring the attention of, or action by, the General Assembly 2/

12. The attention of the General Assembly is drawn to the following resolution and decisions, the texts of which are contained in section II below:

Resolution

365 (XXXV). Twenty-fifth anniversary of the United Nations Conference on Trade and Development

Decisions

366 (XXXV). Rules of procedure applicable to the Intergovernmental Group of Experts on Restrictive Business Practices

367 (XXXV). Protectionism and structural adjustment

368 (XXXV). Trade relations among countries having different economic and social systems and all trade flows resulting therefrom

369 (XXXV). Review of the calendar of meetings

370 (XXXV). The contribution of the United Nations Conference on Trade and Development, within its mandate, to sustainable development in accordance with General Assembly resolution 42/187 and to the follow-up of General Assembly resolution 42/186 and Economic and Social Council resolution 1988/69

371 (XXXV). The contribution of the United Nations Conference on Trade and Development to the preparations for the international development strategy for the fourth United Nations development decade

II. RESOLUTION AND DECISIONS ADOPTED BY THE TRADE AND DEVELOPMENT BOARD AT THE SECOND PART OF ITS THIRTY-FIFTH SESSION

A. Resolution

365 (XXXV). Twenty-fifth anniversary of the United Nations Conference on Trade and Development

The Trade and Development Board,

Recalling General Assembly resolution 43/183 of 20 December 1988 in which the General Assembly decided to observe, at its forty-fourth session, the twenty-fifth anniversary of the United Nations Conference on Trade and Development and invited the Board to contribute, as appropriate, to the celebration of this anniversary,

Noting that the Secretary-General of the United Nations Conference on Trade and Development will organize the events set forth in the secretariat's note on the twenty-fifth anniversary of the Conference, 3/

1. Decides to devote one meeting, at the first part of its thirty-sixth session, to marking the twenty-fifth anniversary of the United Nations Conference on Trade and Development and invites the Secretary-General of the Conference to undertake the necessary preparations for holding such a meeting;

2. Also invites States members of the Conference to organize special events or activities in their respective countries to mark the event.

748th meeting
14 March 1989

B. Decisions

366 (XXXV). Rules of procedure applicable to the Intergovernmental Group of Experts on Restrictive Business Practices

The Trade and Development Board,

Recalling the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, 4/ particularly section B (ii), paragraph 8,

Recalling the rules of procedure of the United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, 5/ particularly rule 1, paragraph (c),

Decides, with respect to the application of the rules of procedure of the main Committees by the Intergovernmental Group of Experts on Restrictive Business Practices, to accord intergovernmental organizations that have competence in the area of restrictive business practices the same participation rights as those accorded to States, except for the right of vote.

749th meeting
15 March 1989

367 (XXXV). Protectionism and structural adjustment 6/

The Trade and Development Board,

Recalling Conference resolutions 96 (IV) of 31 May 1976, 131 (V) of 3 June 1979, 159 (VI) of 2 July 1983, the Final Act of the seventh session of the United Nations Conference on Trade and Development 7/ and Board resolution 286 (XXVIII) of 6 April 1984,

1. Urges Governments to implement fully the commitments to halt and reverse protectionism as agreed in the Final Act of the seventh session of the United Nations Conference on Trade and Development;

2. Recognizes the need to avoid abuse of such non-tariff measures as anti-dumping and countervailing actions and discipline, as appropriate, and to resort to other non-tariff measures that have an adverse effect on products of export interest to developing countries;

3. Reiterates the need to observe the agreement reflected in paragraph 105 (17) of the Final Act of the seventh session of the United Nations Conference on Trade and Development, which states that the observance of multilaterally agreed commitments on trade in goods should not be made conditional on receiving concessions in other areas;

4. Also reiterates the need to take expeditious and concrete structural adjustment actions favourable, in particular, to the widening of markets for the export of products in which the developing countries have or may develop comparative advantage;

5. Recommends that Governments should consider, as part of their fight against protectionism, as appropriate, concrete actions for the establishment of transparent mechanisms at the national level, as indicated in paragraph 105 (4) of the Final Act of the seventh session of the United Nations Conference on Trade and Development;

6. Decides to consider at a future session of the Board the implications of bilateral arrangements and regional economic integration, especially those which have a major impact on global trade, in particular on the trade and development of developing countries;

7. Requests the secretariat of the United Nations Conference on Trade and Development to carry out a study of the costs and consequences of non-tariff measures, in particular those which adversely affect exports of developing countries;

8. Recommends that special problems of the least developed countries be kept in view while undertaking measures to improve market access.

750th meeting
17 March 1989

368 (XXXV). Trade relations among countries having different economic and social systems and all trade flows resulting therefrom 8/

The Trade and Development Board,

Recalling the relevant provisions of the Final Act of the seventh session of the United Nations Conference on Trade and Development pertinent to inter-systems trade, as well as other relevant Conference resolutions, Board decision 356 (XXXIV) of 10 May 1988 and General Assembly resolution 43/188 of 20 December 1988,

Confirming the agreement reached at the second part of the thirty-fourth session of the Trade and Development Board on the feasibility of elaborating a programme for further promotion of trade and economic co-operation among countries having different systems, in particular East-South trade, and recalling the relevant elements of the inputs for the elaboration of the programme, including the informal text annexed to Conference decision 145 (VI) of 2 July 1983, 9/ annexes I and II of Board decision 356 (XXXIV), as well as the annex to the present decision,

Emphasizing the potential for increased inter-systems trade,

Decides to adopt the following:

Consultations of the Secretary-General of the United Nations Conference on Trade and Development

1. The consultations of the Secretary-General of the United Nations Conference on Trade and Development, as referred to in paragraph 105 (27) of the Final Act of the seventh session of the Conference and in paragraph 3 of Board decision 356 (XXXIV), should be carried out as soon as possible and gain momentum.

2. The Secretary-General of the United Nations Conference on Trade and Development is requested to make a preliminary report on his consultations to the intergovernmental group of experts and a full report on those consultations to the Board at the second part of its thirty-sixth session.

Intergovernmental group of experts

3. As agreed in paragraph 4 of Board decision 356 (XXXIV), an intergovernmental group of experts, with a detailed and specific mandate covering selected issues, might contribute to the elaboration of the programme for further promotion of trade and economic co-operation among countries having different systems, in particular East-South trade. The Secretary-General was requested to advise the Board at its thirty-fifth session on the composition and the terms of reference of such a group. In the light of the Secretary-General's oral report and the views expressed by Governments and groups of Governments during the second part of the thirty-fifth session, 10/ the Board agreed on the following:

(a) The intergovernmental group of experts should be open-ended;

(b) Within existing resources, the intergovernmental group of experts should meet in the fourth quarter of 1989. If decided by the intergovernmental group of experts, a resumed session might be scheduled before the second part of the thirty-sixth session of the Trade and Development Board;

(c) The intergovernmental group of experts shall analyse and evaluate the existing and evolving trends and potential factors related to inter-systems trade with a view to identifying the problems and constraints within inter-systems trade, as well as the potential areas and necessary conditions for further expansion of that trade including, inter alia, preference schemes, financing of inter-systems trade and economic co-operation, including payment arrangements and joint ventures;

(d) On the basis of that work, the intergovernmental group of experts shall elaborate elements of a draft programme for further promotion of trade and economic co-operation among countries having different systems, in particular East-South trade;

(e) The intergovernmental group of experts might also make recommendations to the Trade and Development Board with respect to the orientation of the research work of the secretariat. Those recommendations may cover proposals for technical assistance activities and the treatment of specific issues that may also be included as elements of the programme;

(f) The results of the work of the intergovernmental group of experts shall be reported to the Trade and Development Board at the second part of its thirty-sixth session.

Work of the secretariat of the United Nations Conference on Trade and Development

4. The improvements made by the secretariat in the quality of the documentation and statistical material and the investigation of specific areas in the annual report on this item, as requested by the Board in its decision 356 (XXXIV), are noted. The secretariat should continue to make improvements to both its analytical and statistical work and, taking into account the views expressed during the thirty-fifth session of the Board, pay further attention to the comparability of statistics and of the breakdown of product coverage within inter-systems trade, in particular East-South trade.

5. The secretariat of the United Nations Conference on Trade and Development is also requested to continue to highlight the principal factors and prospects for inter-systems trade, in particular East-South trade, in its annual report to the Board at the second part of its thirty-sixth session, taking into account views expressed during the current session of the Board.

6. The study on trade, technical and economic co-operation between the socialist countries of Eastern Europe and the least developed countries, requested by the Board in paragraph 7 of its decision 356 (XXXIV), should be completed and submitted as an input to the seventh session of the Intergovernmental Group on the Least Developed Countries, scheduled to be held in 1990 in preparation for the Second United Nations Conference on the Least Developed Countries, which will take place in Paris in September 1990.

Technical assistance

7. The secretariat of the United Nations Conference on Trade and Development should continue, on the basis of adequate resources and established priorities, to provide technical assistance to developing countries in order to promote and expand trade with the socialist countries of Eastern Europe.

8. The dissemination of trade information, training skills and advisory services should constitute the basic elements of the technical assistance activities of the United Nations Conference on Trade and Development in this field.

9. Co-operation between the secretariat of the United Nations Conference on Trade and Development, the United Nations Development Programme, the United Nations economic commissions and the International Trade Centre UNCTAD/GATT should continue and should be strengthened.

10. The secretariat of the United Nations Conference on Trade and Development is requested to make the necessary arrangements with the United Nations Development Programme in order to secure adequate resources for technical assistance activities within inter-systems trade.

11. An assessment of the technical assistance programme of the United Nations Conference on Trade and Development for the promotion of trade among developing countries and the socialist countries of Eastern Europe, with a special focus on the views of Governments that have benefited from those activities, would be of great importance in making technical assistance more useful and cost-effective. The results of that assessment should, if possible, be made available to the intergovernmental group of experts.

12. The Secretary-General of the United Nations Conference on Trade and Development is requested, therefore, to make the necessary arrangements for such an intergovernmental exercise.

750th meeting
17 March 1989

ANNEX

Outline of Group D countries' approach to the elaboration of a programme referred to in paragraph 105 (26) of the Final Act of the seventh session of the United Nations Conference on Trade and Development, submitted by Bulgaria on behalf of the States members of Group D

Having agreed on the feasibility of elaborating a programme for the further promotion of trade and economic co-operation among countries having different systems, in particular East-South trade, the Board, in pursuing the issue at the second part of its thirty-fifth session, should take into account, in addition to the provisions of the Final Act of the seventh session of the United Nations Conference on Trade and Development, all the inputs on this subject made at the thirty-fourth and thirty-fifth sessions of the Trade and Development Board.

1. In elaborating the modalities of preparation of the programme, the following considerations need to be borne in mind:

(a) The programme should be a guideline for activities of the United Nations Conference on Trade and Development in inter-systems trade;

(b) Trade among countries having different economic and social systems is an integral part of world trade;

(c) Relevant elements of Conference and General Assembly resolutions should be further implemented in the context of the Final Act of the seventh session of the United Nations Conference on Trade and Development, without repeating them;

(d) The Secretary-General's consultations referred to in paragraph 105 (27) of the Final Act should contribute actively to the process of preparation of the programme.

2. Such a programme may include, inter alia:

(a) Main orientations for the research work of the secretariat;

(b) A programme for technical assistance activities;

(c) Intergovernmental or ad hoc groups of experts or seminars on specific problems concerning inter-systems trade and particularly East-South trade.

3. As agreed in paragraph 4 of Trade and Development Board decision 356 (XXXIV), an intergovernmental group of experts should contribute to the elaboration of the programme. Accordingly, that group should be requested to elaborate a draft proposal for a programme for the further promotion of trade and economic co-operation among countries having different economic and social systems, in particular East-South trade. The draft proposal should be presented to the Trade and Development Board at its thirty-sixth session.

4. The secretariat of the United Nations Conference on Trade and Development should prepare further documents for consideration by the Group of Experts and the Trade and Development Board on the basis of the results of the present part of the thirty-fifth session.

5. Once the programme has been adopted, the discussion on inter-systems trade might be taken up by the Trade and Development Board, when appropriate.

369 (XXXV). Review of the calendar of meetings

The Trade and Development Board

1. Approves the calendar of meetings for the remainder of 1989; 11/

2. Takes note of the draft calendar for 1990 and the tentative calendar for 1991 12/ as indicative for planning purposes.

750th meeting
17 March 1989

370 (XXXV). The contribution of the United Nations Conference on Trade and Development, within its mandate, to sustainable development in accordance with General Assembly resolution 42/187 and to the follow-up of General Assembly resolution 42/186 and Economic and Social Council resolution 1988/69 13/

The Trade and Development Board

1. Decides to transmit to the General Assembly at its forty-fourth session, through the Economic and Social Council, in response to paragraph 18 of General Assembly resolution 42/187 of 11 December 1987, the agreed conclusions annexed to the present decision, together with the relevant section of the report of the Board on the second part of its thirty-fifth session;

2. Requests the Secretary-General of the United Nations Conference on Trade and Development to convey that material also to the Executive Director of the United Nations Environment Programme for submission to the Governing Council of the Programme at its next regular session.

751st meeting
22 March 1989

ANNEX

Agreed conclusions

1. Requests the Secretary-General of the United Nations Conference on Trade and Development to make an analysis for the first part of the thirty-seventh session of the Trade and Development Board on the interface between sustainable development and the main lines of UNCTAD activities within its mandate;

2. Agrees to consider, in the light of the analysis referred to above, such follow-up action by the Board as may be required on the relevant provisions of General Assembly resolutions 42/186 and 42/187 of 11 December 1987 and Economic and Social Council resolution 1988/69 of 28 July 1988;

3. Requests the Secretary-General of the United Nations Conference on Trade and Development, in his preparations for the Second United Nations Conference on the Least Developed Countries, to be held in 1990, to give appropriate attention to sustainable development;

4. Also requests the Secretary-General of the United Nations Conference on Trade and Development to develop proposals for technical assistance, in co-operation with the United Nations Development Programme and other relevant agencies, for financing by donors, and invites them to provide additional financing for that purpose;

5. Underlines that all activities referred to above should be carried out within the mandates and programmes of the organization and its subsidiary bodies, and that the general direction and priorities as set down by intergovernmental bodies in the organization should be maintained.

371 (XXXV). The contribution of the United Nations Conference on Trade and Development to the preparations for the international development strategy for the fourth United Nations development decade

The Trade and Development Board

Adopts the agreed conclusions annexed to the present decision.

751st meeting
22 March 1989

ANNEX

Agreed conclusions

1. Confirms that, in accordance with General Assembly resolutions 43/182 and 43/188 of 20 December 1988, the Trade and Development Board will contribute effectively to the preparations for the international development strategy, in close co-operation with the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade, and that the United Nations Conference on Trade and Development will address this question in 1989;

2. Decides to include the question of the contribution of the United Nations Conference on Trade and Development to the preparations for the international development strategy for the fourth United Nations development decade in the agenda for the resumption of the second part of the thirty-fifth session of the Trade and Development Board, scheduled for 16 May 1989, and invites the Secretary-General of the Conference to conduct special consultations in preparation for the resumed session. a/

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a/ See annex IV for an account of those special consultations.

C. Other decisions

1. Adoption of the report on credentials (agenda item 1 (b))

13. At its 750th meeting, on 17 March 1989, the Board adopted the report of the Bureau on credentials. 14/

2. Provisional agenda for the first part of the thirty-sixth session of the Board and organization of the work of the session (agenda item 1 (c))

14. At its 750th meeting, the Board approved the provisional agenda for the first part of its thirty-sixth session (see annex II). (See section III.D for a statement made in this connection by the President.)

3. Designation of the President of the thirty-sixth session of the Board (agenda item 1 (d))

15. At its 750th meeting, the Board, pursuant to decision 338 (XXXIII) and in accordance with rule 19 of its rules of procedure, designated Mr. Oscar de Rojas (Venezuela) as President of its thirty-sixth session.

4. Services within the mandate of the United Nations Conference on Trade and Development as defined in the Final Act of the seventh session of the Conference (agenda item 2 (a))

16. At its 750th meeting, the Board took note of the debate on this item in Sessional Committee I.

5. The respective roles of national policies and the external environment in promoting social and economic development in the context of paragraphs 25-32 of the Final Act of the seventh session of the United Nations Conference on Trade and Development (agenda item 2 (b))

17. At its 750th meeting, the Board decided that the President's summary of the debate on this item should be annexed to its report to the General Assembly (see annex III).

6. Other issues for consideration by the Board as mandated in General Assembly resolution 1995 (XIX), and in the context of the relevant provisions of the Final Act of the seventh session of the United Nations Conference on Trade and Development on international trade, as well as pertinent resolutions of the General Assembly and the Conference: the impact of technological change on patterns of international trade (agenda item 5)

18. At its 750th meeting, the Board agreed to defer until the second part of its thirty-sixth session consideration of the theme "The impact of technological change on patterns of international trade".

7. Other matters requiring action by the Board arising from or related to reports and activities of its subsidiary and other bodies (agenda item 8)

Working Party on the Medium-term Plan and the Programme Budget (agenda item 8 (a))

Sixteenth session

19. At its 743rd meeting, on 7 March 1989, the Board took note of the report of the Working Party on the Medium-term Plan and the Programme Budget on its sixteenth session 15/ and decided, in compliance with General Assembly resolution 42/196, to submit the relevant part of the report, together with the relevant part of the report of the Board on the second part of its thirty-fifth session, to the Economic and Social Council.

Seventeenth session

20. At its 752nd meeting, on 19 May 1989, the Board took note of the results of the Working Party's seventeenth session, and endorsed the agreed conclusions (TD/B/WP/L.53). The Board thereby also endorsed the amendments to the proposed programme budget for the biennium 1990-1991 (A/44/6 (Section 15)) and agreed that the above documentation should be made available to the appropriate United Nations bodies.

Commodities (agenda item 8 (b))

21. At its 743rd meeting, the Board took note of the oral report by the Chairman of the Committee on Commodities 16/ on the outcome of the Committee's thirteenth session.

Transfer of technology (agenda item 8 (c))

22. At the same meeting, the Board took note of the oral report by the Vice-Chairman of the Committee on Transfer of Technology 17/ on the outcome of the Committee's seventh session.

Restrictive business practices (agenda item 8 (d))

23. At its 747th meeting, on 13 March 1989, the Board took note of the oral report by the Chairman of the Intergovernmental Group on Restrictive Business Practices 18/ on the work of its seventh session.

8. Treatment of new States members of the United Nations Conference on Trade and Development for the purposes of elections (agenda item 9 (b))

24. At its 742nd meeting, on 6 March 1989, the Board noted that the membership of the United Nations Conference on Trade and Development remained at 168.

9. Announcement of any changes in the membership of the Board and election to membership of main Committees (agenda item 9 (c))

25. At its 742nd meeting, the Board noted that the membership of the Board remained unchanged at 131; that the secretariat had not received any communication from a State wishing to become a member of a main Committee; and that the membership of the main Committees remained unchanged (Committee on Commodities, 107; Committee on Manufactures, 101; Committee on Invisibles and Financing related to Trade, 102; Committee on Shipping, 103; Committee on Transfer of Technology, 99; and Committee on Economic Co-operation among Developing Countries, 110).

10. Designation of intergovernmental bodies for the purposes of rule 78 of the rules of procedure of the Board (agenda item 9 (d))

Designation and classification of non-governmental organizations for the purposes of rule 79 of the rules of procedure of the Board (agenda item 9 (e))

26. At its 742nd meeting, the Board noted that no applications had been received under these sub-items.

11. Administrative and financial implications of action by the Board (agenda item 9 (g))

27. No specific administrative or financial implications were before the Board.

12. Other business (agenda item 10)

28. No matters were raised under this item.

D. Proceedings at the resumption of the second part of the thirty-fifth session of the Trade and Development Board

29. At the 752nd meeting, on 19 May 1989, pursuant to its decision 371 (XXXV), the Board resumed the second part of its thirty-fifth session to continue consideration of the contribution of the United Nations Conference on Trade and Development to preparations for the international development strategy for the fourth United Nations development decade.

30. At that meeting, the Board decided that the proceedings of the special consultations on the international development strategy, organized by the Secretary-General of UNCTAD pursuant to decision 371 (XXXV), should be annexed to its report (see annex IV). It further decided that the relevant parts of its report, the proceedings of the special consultations and the agreed conclusions annexed to Board decision 371 (XXXV), should be transmitted to the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade, established under General Assembly resolution 43/182.

III. STATEMENTS MADE IN CONNECTION WITH DECISIONS ADOPTED BY THE BOARD

A. Credentials

31. The representative of Pakistan placed on record his delegation's reservations with regard to the delegation of Afghanistan for the reasons stated during the forty-third session of the General Assembly (A/43/PV.33, pp. 59-60).

32. The representative of Afghanistan, referring to paragraph 5 of the report on credentials and to the statement by the representative of Pakistan, reaffirmed the position of his Government as stated at the forty-third session of the General Assembly (A/43/PV.33, pp. 59-61).

B. Other matters in the field of trade and development: the contribution of the United Nations Conference on Trade and Development, within its mandate, to sustainable development in accordance with General Assembly resolution 42/187 and to the follow-up of General Assembly resolution 42/186 and Economic and Social Council resolution 1988/69 (Board decision 370 (XXXV)) (agenda item 7 (a))

33. At the 750th meeting, the President, submitting a draft decision to which were annexed agreed conclusions prepared in informal consultations (TD/B(XXXV)/L.858), stated that it was his understanding, having chaired the informal consultations, that the Secretary-General of the United Nations Conference on Trade and Development would make a statement concerning the agreed conclusions and that the whole statement would go on record.

34. The Secretary-General of the United Nations Conference on Trade and Development stated that, in the agreed conclusions in the annex to the decision, he was requested to make an analysis of the interface between sustainable development and the main lines of activities of the United Nations Conference on Trade and Development within its mandate. As the Board's discussions had shown, that was a complex and multifaceted task. In carrying out the work involved, he would take into account the impact of the external economic environment on sustainable development.

35. The spokesman for Group B (Denmark), noting the statement by the Secretary-General of the United Nations Conference on Trade and Development, requested that the records of the meeting reflect Group B's continued opinion that, in considering sustainable development, full weight must be given to both national policies and to the external economic environment.

36. At the 751st meeting, the spokesman for the Group of 77 (Guatemala) recalled that his Group had made every possible effort to arrive at the agreed conclusions and all Groups had agreed that the Secretary-General would make a statement, with full knowledge of what it would contain.

37. The Group of 77 was thus glad that, contrary to earlier impressions, Group B was not disassociating itself from the statement by the Secretary-General. Such an act would have brought into question the good faith in negotiating agreements that

had thus far prevailed among all Groups. It would have also brought into question the credibility of the institution of the Secretary-General.

38. His Group wished to place on record its unwavering confidence in the Secretary-General, in both his personal and his professional capacities. The Group of 77 had agreed, in good faith and with appropriate flexibility, to continue to negotiate a resolution - submitted by Group B on sustainable development - beyond the deadline set by the rules that the Board had adopted. That flexibility should be clearly indicated in the Board's records for future reference.

C. Decision 367 (XXXV). Protectionism and structural adjustment (agenda item 3)

39. The representative of the United States of America welcomed the balanced outcome achieved on item 3. The text of the decision reflected the concerns and responsibilities of all regional groups and China. In the carrying out of the decision, the United States expected that the secretariat's documentation would contain analysis covering key developments in all countries. With respect to the implications of bilateral arrangements and regional economic integration efforts, a comprehensive analysis would be desirable and appropriate, as such arrangements, when taken together, could and did have a major impact on global trade. In considering the costs and consequences of non-tariff measures, such actions always entailed costs - for consumers, for domestic efficiency and ultimately for a country's export competitiveness. Therefore, limiting analysis to non-tariff measures of only some countries would miss several important dimensions of the issue and possibly lead to incorrect conclusions and analysis.

D. Provisional agenda for the first part of the thirty-sixth session of the Board and organization of the work of the session (agenda item 1 (c))

40. In drawing attention to the draft provisional agenda for the first part of the thirty-sixth session of the Board (see annex II), the President announced that it was understood that an item, entitled "Follow-up and review of the implementation of the Final Act of the seventh session of the United Nations Conference on Trade and Development in accordance with Board decision 350 (XXXIV): selected issues requiring attention by the Board", would be included in the Secretary-General's informal suggestions for the draft provisional agenda of future Board sessions and that, during the discussions of each draft for future sessions of the Board, consideration would be given to the identification of selected issues. It had also been agreed that, as part of the process of preparation for the eighth session of the United Nations Conference on Trade and Development, a stock-taking exercise concerning the implementation of the Final Act of the seventh session would be carried out at a session of the Board.

Notes

1/ See Official Records of the General Assembly, Thirty-ninth Session, Supplement No. 15 (A/39/15), vol. II, sect. II.

2/ All texts were adopted without a vote.

3/ TD/B/1204.

4/ United Nations publication, Sales No. E.81.II.D.5.

5/ TD/RBP/CONF.2/6.

6/ For a statement made by the representative of the United States of America on the adoption of this decision, see section III.C.

7/ To be issued as United Nations publication, Sales No. E.89.II.D.2.

8/ On adopting this decision, the Board also decided that the "Outline of Group D countries' approach to the elaboration of a programme referred to in paragraph 105 (26) of the Final Act of the seventh session of UNCTAD", submitted by Bulgaria on behalf of the States members of Group D (TD/B/1104/Rev.1), should be annexed thereto.

9/ Note by the UNCTAD secretariat submitted at the thirty-third session of the Board.

10/ See Official Records of the Trade and Development Board, Thirty-fifth Session (Second part), Supplement No. 1A (TD/B/1211) (vol. II), (hereinafter referred to as the report of the Board), part two, chap. III.

11/ See TD/B/INF.172.

12/ Ibid.

13/ For statements made by the President, the Secretary-General of UNCTAD and the spokesman for Group B and the spokesman for the Group of 77 in connection with the adoption of this decision, see section III.B.

14/ TD/B/1209. For statements made in this connection by the representatives of Pakistan and Afghanistan, see section III.A.

15/ Official Records of the Trade and Development Board, Thirty-fifth Session, Supplement No. 2 (TD/B/1198).

16/ See the report of the Board, part II, chap. VII, sect. B.

17/ Ibid., sect. C.

18/ Ibid., sect. D.

ANNEX I

Agenda for the second part of the thirty-fifth session of the Trade and Development Board as adopted by the Board at its 742nd meeting, on 6 March 1989

1. Procedural matters:

   (a) Adoption of the agenda and organization of the work of the session;

   (b) Adoption of the report on credentials;

   (c) Provisional agenda for the first part of the thirty-sixth session of the Board and organization of the work of the session;

   (d) Designation of the President of the thirty-sixth session of the Board.

2. Selected issues requiring attention by the Board at the second part of its thirty-fifth session in follow-up and review of the implementation of the Final Act of the seventh session of UNCTAD in accordance with Board decision 350 (XXXIV):

   (a) Services within the mandate of UNCTAD as defined in the Final Act; a/

   (b) The respective roles of national policies and the external environment in promoting social and economic development in the context of paragraphs 25 to 32 of the Final Act.

3. Protectionism and structural adjustment and, in conjunction therewith, developments and issues in the Uruguay Round of particular concern to developing countries, in accordance with paragraph 105 (8) of the Final Act of the seventh session of UNCTAD.

4. Trade relations among countries having different economic and social systems and all trade flows resulting therefrom.

5. Other issues for consideration by the Board as mandated in General Assembly resolution 1995 (XIX), and in the context of the relevant provisions on international trade of the Final Act of the seventh session of UNCTAD, as well as other pertinent resolutions of the General Assembly and the Conference: the impact of technological change on patterns of international trade.

6. Preparations for the Second United Nations Conference on the Least Developed Countries.

7. Other matters in the field of trade and development:

   (a) The contribution of UNCTAD, within its mandate, to sustainable development in accordance with General Assembly resolution 42/187 and to the follow-up of General Assembly resolution 42/186 and Economic and Social Council resolution 1988/69;

(b) The contribution of UNCTAD to the preparations for the international development strategy for the fourth United Nations development decade.

8. Other matters requiring action by the Board arising from or related to reports and activities of its subsidiary and other bodies:

(a) Working Party on the Medium-term Plan and the Programme Budget;

(b) Commodities;

(c) Transfer of technology;

(d) Restrictive business practices.

9. Institutional, organizational, administrative and related matters:

(a) Twenty-fifth anniversary of UNCTAD;

(b) Treatment of new States members of UNCTAD for purposes of elections;

(c) Announcement of any changes in the membership of the Board and election to membership of main Committees;

(d) Designation of intergovernmental bodies for the purposes of rule 78 of the rules of procedure of the Board;

(e) Designation and classification of non-governmental organizations for the purposes of rule 79 of the rules of procedure of the Board;

(f) Review of the calendar of meetings;

(g) Administrative and financial implications of the action by the Board.

10. Other business.

11. Adoption of the report of the Board.

Notes

a/ For statements made in connection with the adoption of the Final Act of the seventh session of UNCTAD, see Proceedings of the United Nations Conference on Trade and Development, Seventh Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.88.II.D.1).

ANNEX II

Provisional agenda for the first part of the thirty-sixth session of the Board a/

1. Procedural matters:

   (a) Election of officers;

   (b) Adoption of the agenda and organization of the work of the session;

   (c) Adoption of the report on credentials;

   (d) Provisional agenda for the second part of the thirty-sixth session of the Board and organization of the work of the session.

2. The contribution of the United Nations Conference on Trade and Development to the preparations for the international development strategy for the fourth United Nations development decade.

3. Interdependence of problems of trade, development finance and the international monetary system.

4. Debt and development problems of developing countries.

5. Twenty-fifth anniversary of UNCTAD.

6. Preparations for the Second United Nations Conference on the Least Developed Countries.

7. Other matters in the field of trade and development:

   (a) Report of the Secretary-General of UNCTAD in accordance with Conference resolution 137 (VI) concerning land-locked developing countries;

   (b) Export promotion: report of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT on its twenty-second session;

   (c) Progressive development of the law of international trade: twenty-second annual report of the United Nations Commission on International Trade Law.

8. Other matters requiring action by the Board arising from or related to reports and activities of its subsidiary and other bodies.

9. The contribution of UNCTAD to the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990.

10. Programme evaluation in UNCTAD.

11. Assistance to the Palestinian people (Conference resolutions 146 (VI) of 2 July 1983 and 169 (VII) of 3 August 1987).

12. Arrangements and preparations for the eighth session of the United Nations Conference on Trade and Development.

13. Institutional, organizational, administrative and related matters:

    (a) Treatment of new States members of UNCTAD for purposes of elections;

    (b) Announcement of any changes in the membership of the Board and election to membership of main Committees;

    (c) Membership of the Working Party on the Medium-term Plan and the Programme Budget for 1990;

    (d) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board;

    (e) Designation and classification of non-governmental organizations for the purposes of rule 77 of the rules of procedure;

    (f) Review of the calendar of meetings;

    (g) Administrative and financial implications of the actions of the Board.

14. Other business.

15. Adoption of the report of the Board.

Notes

a/ Approved at the 751st meeting, on 22 March 1989.

ANNEX III

Summary by the President of the debate on item 2 (b): The respective roles of national policies and the external environment in promoting social and economic development in the context of paragraphs 25 to 32 of the Final Act a/

At the 750th meeting, the President read out the following summary of the debate on this item:

The Board had a useful exchange of views on the respective roles of national policies and of the external environment in promoting social and economic development. It was recognized that, as noted in the Final Act of the seventh session of UNCTAD, those roles are contributory factors to the diversity of experiences of developing countries, but differences of perception as to the relative weights of these elements persisted.

Since the seventh session of UNCTAD, progress had been registered by some countries in all regional groupings with regard to the implementation of national policies. It was observed that a large number of developing and other countries had undertaken, at great social, economic and political cost, courageous policies of reform and structural adjustment. It was remarked that there was a striking degree of consensus on the importance of a number of elements of domestic reform programmes that had been successfully applied in both some developed and developing countries. In that context, a number of specific policy options were mentioned. There had also been some developments in the external environment, though these were more helpful for some countries than for others. It was noted, however, that much remained to be done by all countries to respond fully to the broad understanding contained in paragraphs 25 to 32 of the Final Act, on the basis of shared responsibility, with each country contributing in accordance with its capacities and weight in the world economy.

The important complementarity of national policies and the external environment was stressed, whereby national policies determine the advantages to be obtained from a given external environment. While international efforts cannot replace the primary responsibility of countries for their own development, it was recognized that national policies to foster long-term sustainable growth would have little chance of succeeding without a supportive external environment. In that context, it was observed that, while it was necessary to continue the process of reform and adjustment in developing and other countries with a view to achieving, inter alia, self-sustained growth and improving the mobilization of domestic resources and the effectiveness of resource allocation, that process required the support of all countries. The importance attached by the developed countries to a more complete integration of the developing countries into the world economy, the opening of their own markets to the products of developing countries and the creation at the international level of a favourable world economic environment were noted. A reactivation of the development process in the developing countries would contribute to non-inflationary growth, employment and structural adjustment in the developed countries.

It was finally suggested that, in the pursuit of the mandate of the United Nations Conference on Trade and Development in various sectors of activity, the UNCTAD intergovernmental bodies and the secretariat should emphasize further the interaction between national policies and the external environment.

Notes

a/ Annexed by decision of the Board at its 750th meeting, on 17 March 1989.

ANNEX IV

Proceedings of the special consultations held by the Secretary-General of UNCTAD pursuant to Board decision 371 (XXXV) to consider the contribution of UNCTAD to preparations for the international development strategy for the fourth United Nations Development Decade a/

1. Pursuant to Board decision 371 (XXXV), the Secretary-General of UNCTAD held special consultations on 16 May 1989 to consider the question of the contribution of UNCTAD to the preparations for the international development strategy for the fourth United Nations development decade.

2. The Secretary-General of UNCTAD recalled at the outset that his informal exchanges of views with co-ordinators of regional groups and the representative of China in that connection had focused on the question of participation in the special consultations and on their possible outcome.

3. The Secretary-General indicated that the positions of the regional groups and China on the question of participation were as follows:

A. Group B

When the Board took the decision to include the question of the contribution of UNCTAD to the preparations for the international development strategy for the fourth United Nations development decade on the agenda for its resumed session and to invite the Secretary-General to hold special consultations, the outcome of the initial organizational session of the Ad Hoc Committee of the Whole in New York was not known.

Now, knowing how the Ad Hoc Committee decided to organize its work, Group B did not see the purpose of holding such special consultations. In the view of Group B, one would have to wait for June and September sessions of the Ad Hoc Committee before being able to decide how to proceed in UNCTAD.

If, however, other Groups felt that there was a need to hold special consultations, Group B countries would attend the meetings, listen carefully to the comments and views that might be put forward by other Groups, and report faithfully to capitals, so that such comments and views could be taken into consideration in capitals when preparing for the forthcoming meetings of the Ad Hoc Committee of the Whole in New York.

B. Group D

At the informal consultations between the Secretary-General and regional co-ordinators, Group D reiterated its readiness to take part in the special consultations called for by the relevant Board decision. That position was based on the assumption that all regional groups and China would participate substantially in those consultations. In the light of the announcement by one regional group that its participation would be limited to mere physical presence, Group D had had to re-evaluate the situation. After consulting their competent authorities, the Group D countries reaffirmed their intention

of participating in the consultations, taking into account the importance of the subject. At the same time, they expressed serious concern at the attitude of Group B, and emphasized that the elaboration of the contribution of UNCTAD presupposes the active participation of all Groups and countries.

C. Group of 77

The Group of 77 stressed their desire to convene the special consultations and expressed their readiness to start as soon as possible. They also expressed their view that the first intergovernmental contribution of UNCTAD would have to be made before the June meeting of the Ad Hoc Committee of the Whole and that that contribution should be put before the Ad Hoc Committee.

They also expressed their desire for the special consultations to be substantive in nature and to address the general theme and orientation of the international development strategy, and they felt that the document by the UNCTAD secretariat (TD/B(XXXV)/CRP.9/Add.1) constituted a good basis for the special consultations to assist regional groups to identify issues to be considered. The Group of 77 expressed dismay and concern that, despite the decision of the Board, one Group, namely, Group B, was not willing to participate substantively in the special consultations.

D. China

China felt regret that one of the regional groups would not participate in the special consultations in a substantive manner. As China attached great importance to the new strategy, however, it was willing to participate substantively in the special consultations and was ready to co-operate positively with those regional groups as well as with individual countries, if there were any, that would like to adopt the same attitude to those consultations. China believed that the special consultations would constitute a meaningful input to the effective contribution by the intergovernmental machinery of UNCTAD for the preparation and formulation of the new strategy.

4. Statements made during the special consultations are summarized in the paragraphs below.

5. The spokesman for the Group of 77 (Tunisia) found it regrettable and disturbing that Group B did not see any purpose in contributing to the special consultations on a subject as important as the international development strategy. The application of the strategy was based on dialogue - in the absence of which legitimate questions arose as to the sincerity of the political will that Group B had so much professed vis-à-vis development and international co-operation. It was disquieting in that it was not the first time that Group B had adopted such an attitude, notwithstanding the basic consensus regarding the conduct of activities within the mandate of UNCTAD, which his Group valued greatly, given its invaluable contribution to the solution of development problems. The Group of 77 thus appealed to Group B to reconsider its attitude.

6. The spokesman for the Group of 77 added that, although development problems were a source of increasing concern to the international community, they were still not perceived by the developed countries in their true context, and related international activities were not undertaken in a harmonious and integrated manner that took account of all aspects of development. While, generally speaking, the international community reacted quite generously and speedily to emergency situations and to appeals for immediate assistance in the event of urgent needs, long-term development requirements did not receive consistent support. Whether the problem concerned foreign debt, the fall in commodity prices, protectionism or market-access difficulties, international co-operation did not get to grips with the real causes of the serious structural imbalances in the world economy. The success of development efforts, including structural adjustment programmes that were supposed to relieve the burden of the developing countries, was dependent, firstly, on the reduction of the factors of uncertainty in the international economic environment and, secondly, on effective compliance with international commitments to end monetary, financial and trade disorder. Those two fundamental elements were primarily the responsibility of the countries whose economic policy measures had international effects, in particular, on the situation of the developing countries, whose right to participate in the management of the world economy was denied, when in fact they had considerable economic potential that could benefit the whole of the world economy if the dynamics of growth and development were reactivated on sound and sustained bases under a long-term approach.

7. The international community was thus called upon, through the international development strategy for the 1990s, to take up the challenge of the problem of development in all its dimensions, including its interaction with international relations in the light of the far-reaching political, economic and social changes currently under way throughout the world, without overlooking the relation between development and disarmament.

8. Because of the many factors at stake, this exercise should be initiated in an open spirit and in the context of a genuine dialogue aimed at agreeing on adequate collective actions with a view to reactivating development through international co-operation in the interest of all countries.

9. As a major forum for international co-operation for development, UNCTAD must be fully associated with the definition of the general guidelines for the new international development strategy, especially since it had acquired broad experience of development problems, and more particularly the problem of the interdependence of questions of trade, money and finance, commodities and development, as reflected in the Final Act of the seventh session of the Conference.

10. The first part of the document by the UNCTAD secretariat, entitled "Some preliminary considerations on the new strategy" (TD/B(XXXV)/CRP.9/Add.1), constituted a positive outline of the possible contribution of UNCTAD to the preparation of the new international development strategy. After examining that document, the Group of 77 would like to emphasize several points in particular.

11. The objectives agreed on for the 1980s had been attained only to a very partial extent, mainly because of the low level of political commitment to them of the industrialized countries and the incoherent and insufficient co-ordination of the latter's macro-economic policies. As a result, there had been an increase in the factors of uncertainty in an international environment already unfavourable to

development and unreceptive to the concerns of the developing countries, concerns which were vulnerable to the vicissitudes of a poorly structured world economy in an increasingly interdependent world. Only through political commitment to approved objectives could execution of the policies and associated measures be facilitated. Consequently, the success of the new international development strategy lay to a large extent in the political conviction of the developed countries concerning the usefulness and effectiveness of the multilateral framework for remedying, in concert with the developing countries, the injustices and malfunctioning of the international economic system in the interest of all countries.

12. The political will towards international co-operation for development must not suffer from the continued marginalization of the developing countries vis-à-vis the management of the world economy. The international development strategy must therefore be prepared in a spirit of partnership, not in terms of charity and assistance.

13. Although the international development strategy entailed the participation of the whole of the international community with a view to promoting international co-operation during the coming decade, the responsibility of the developed countries was particularly important in view of the effects of their greater wealth and their macro-economic policies on the international economic environment.

14. The international development strategy must be perceived as an instrument of international economic co-operation to carry out specific commitments and actions to combat poverty and improve living standards through the accelerated development of the developing countries, which would inevitably benefit the world economy. As the Toronto Summit had noted, "the performance of developing countries is increasingly important to the world economy". b/

15. Without prejudice to the right of each country to adopt the priorities it deemed fit, the international development strategy should foster conditions whereby the public and private sectors would be able to contribute effectively to the achievement of national objectives.

16. The economic reforms entailed by the new international development strategy would have to be symmetrical and the cost of the structural adjustments should be equitably shared between developing and developed countries.

17. Because of the persistence of factors of uncertainty, the international development strategy should be flexible and dynamic in order to be able to react to any deviation from the agreed objectives and to be adapted to changes in the situation.

18. The new strategy should be global, given the growing interdependence of the world economy, while at the same time envisaging major themes for which specific international action was necessary.

19. The new strategy should help to strengthen existing intergovernmental arrangements in favour of development, such as the Final Act of the seventh session of UNCTAD.

20. The realities and the constraints of interdependence should be central to the new international development strategy to ensure the greater predictability and greater transparency of the world economy. Mutually beneficial interdependence, well managed in a multilateral framework, would be able to meet the challenges of development and growth. As indicated in the report prepared by the secretariat (TD/B(XXXV)/CRP.9/Add.1), UNCTAD could make a useful contribution as regards the way to manage this interdependence in relation to the major problems of development.

21. The new international development strategy should be capable of supporting and strengthening national development strategies and regional activities.

22. The new strategy should envisage precise action-oriented objectives reflecting the degree of political commitment to development. Those objectives must be quantified and linked to policies and measures with a view to their attainment according to a clearly established schedule.

23. It should also establish global and sectoral indicators that would enable overall progress to be measured, together with a mechanism for periodic checks and supervision, that would apply corrective measures called for by the evolution of the international economic situation and that could anticipate the problems and obstacles in the path of development and growth.

24. The second part of the paper by the UNCTAD secretariat on specific sectoral questions (TD/B(XXXV)CRP.9/Add.1) was not sufficiently detailed to allow comment at the current stage, but the matter could be taken up later, as the Group of 77 felt that there should be arrangements for exchanges of view on the strategy beyond the special consultations and the resumed Board session, in order to ensure that the intergovernmental contribution of UNCTAD to the exercise was as full as possible.

25. The spokesman for Group D (Hungary) said that his Group considered the special consultations a first step in a process leading to the formulation of the intergovernmental contribution of UNCTAD to the new international development strategy. At the present early stage of the preparations, he offered some preliminary thoughts on different aspects of the new international development strategy. He observed that UNCTAD, by its mandate and experience in trade and development issues, had a potential to contribute substantially to the elaboration of the strategy. It was nevertheless imperative that all members of the organization take an active part in this process. Consensus was a prerequisite of any meaningful contribution by the intergovernmental machinery of UNCTAD.

26. In a general review of basic considerations and approaches to the new international development strategy, he said that the most important pre-condition for a viable strategy was that it should be realistic. Therefore, the elaboration of the strategy would initially require an evaluation of previous development strategies in the light of the current economic situation and an assessment of factors that had hastened or hampered the attainment of their objectives. In addition, there should be an in-depth analysis of the underlying causes of major universal economic and social problems against the background of current developments in the world economy and in international co-operation.

27. The strategy should draw up appropriate basic orientations and guidelines for a balanced and sustained socio-economic development in the next decade, taking into account the various facets of economic and social issues, national policies and international co-operation. As in any exercise involving the whole international

community, the elaboration of the new international development strategy should take care of the interests of each participant in a balanced manner. Only in that way could the common political commitment for the implementation of the strategy's objectives be assured.

28. The strategy should reflect the growing interdependence and interlinkages of national economies and of problem areas. In addressing issues related to national efforts needed for the attainment of the development objectives, the strategy should recognize the freedom of choice of individual countries to set their national development plans, priorities and policies, and should reiterate that each country had the primary responsibility for its own socio-economic development. At the same time, it should be stressed that the successful implementation of national policies required a supportive and predictable external environment. National efforts and international co-operation should be made consonant and mutually reinforcing. That interaction is decisive for the success of the new international development strategy. By putting the different specific elements together in an organic way, the strategy should form a coherent set of orientations and guidelines for action on both the national and international levels.

29. Due regard should also be given to the incorporation into the strategy of concepts related to international economic and ecological security. Indeed, the strategy should be constructed so as to enhance stability and predictability in international relations conducive to sustained development. The contribution disarmament could make to accelerate economic development should also be examined and reflected in the strategy.

30. Finally, he stated that it was the view of Group D that the contribution of UNCTAD should focus on an integrated approach to issues of concern to it, such as international trade, commodities, debt problems, financial resources, technology and special problems of less developed countries, putting them in the context of global interdependence. It was equally important to take account of, and build on, the results and potential of current processes in international co-operation. The ongoing dialogue in many international forums, in particular in the United Nations, on different problem areas might lead to important changes in the world economic, social and ecological situation during the next decade. He expressed the hope that the preliminary exchange of views at the current meeting would constitute a reasonable point of departure for the further work aimed at the formulation of the intergovernmental contribution of UNCTAD to the preparation of the new international development strategy.

31. The representative of China felt surprised that one regional group should have chosen to stay away from the substantive consultations on the important question of the international development strategy, which could only hinder the efforts of UNCTAD for the effective fulfilment of its mandate entrusted by the General Assembly. China could not but express its regret and concern over the situation and possible similar developments in the future.

32. He stated that, during the International Development Strategy for the Third United Nations Development Decade, the developing countries as a whole had registered some intermittent growth in their economies as a result of the untiring efforts of a great number of countries, particularly those of the developing countries, and the implementation to different degrees of certain policy measures provided for in the Strategy. The development was, however, uneven and the great majority of developing countries had been beset with enormous economic

difficulties. For reasons known to all, most of the policy measures contained in the Strategy had not been implemented in earnest, and the objectives and targets set were far from b ng achieved. China, therefore, took it as entirely necessary and feasible, on the basis of a serious review of the implementation of the Strategy, to elaborate a new international development strategy that would be universally acceptable and could promote international co-operation, as well as social and economic development of developing countries.

33. He then set forth the position and basic views of his delegation on the issues that might be discussed at the June meeting of the Ad Hoc Committee of the Whole.

34. The new strategy should still take as its main objectives the strengthening of international economic co-operation, the promotion of economic and social development of developing countries and the narrowing down of the economic gap between the North and the South. It should be comprehensive, including all areas of major interest to the development of the developing countries. To promote the realization of its objectives, the new strategy should continue to set necessary qualitative and quantitative targets. Those targets should be practical and feasible, capable of being achieved through the joint efforts and co-operation of all members of the international community. They should not be set too low, however, as they would not then be able to play a significant role in promoting development even if they were achieved. To ensure the achievement of its objectives and targets provision should be made for a series of practical and specific policies and measures to be implemented accordingly at national, regional and interregional levels. There should also be a review and monitoring mechanism. To be consistent with current needs, the new strategy should take into account the issues and characteristics of the present world economic situation and international economic relations, as well as issues that were predicted to arise in the coming decade.

35. In the preparation of the new strategy, the Ad Hoc Committee should consider proposals not only of Governments and relevant intergovernmental organizations, but also of non-governmental organizations, such as the South Commission, as well as those of eminent persons, on economic, social and political issues. Deliberations at the special session of the General Assembly on international economic co-operation to be held in April 1990, and at other international conferences, should also be taken into account.

36. He reaffirmed the comments that his delegation had made during the second part of the thirty-fifth session of the Board with regard to the report prepared by the UNCTAD secretariat (TD/B(XXXV)/CRP.9/Add.1) and believed that this document could be one of the basic documents for discussions within UNCTAD in making its contribution to the preparation of the new strategy.

37. He pointed out that the resumed session of the Board could not be expected to produce a consensus result on substance because one regional group had stated that it would not participate in the substantive discussions on the item related to the strategy. He therefore suggested that, apart from the statements of regional groups and countries, the President should draft a "Summary of the President", in his own capacity, which would reflect the discussions at the Board's resumed session and, where necessary and appropriate, those at the special consultations as well. These could be used as the input of the organization to the June meeting of the Ad Hoc Committee and would facilitate the work of that committee. Finally, he stated that, by having a general look at the nature of the new strategy, the major

themes that might be incorporated in it and the mandate that this organization had received, one could easily see that it was the unshirkable responsibility of UNCTAD to make a special and effective contribution to the preparation of this strategy. He appealed to the Group and countries concerned to adopt a positive attitude in this regard.

38. In the absence of further statements, the Secretary-General advised that the outcome of those special consultations would consist of a note by the secretariat containing a summary of the proceedings. There were no objections to this course of action.

39. Referring to the suggestion made by China concerning the possible outcome of the resumed session, the Secretary-General stated that it could be the subject of consultations by the President of the Board, who expressed his readiness to hold such consultations if delegations so desired.

40. In conclusion, the Secretary-General mentioned that it was not the intention of the secretariat to submit any documentation for the resumed session additional to its report (TD/B(XXXV)/CRP.9 and Add.1) but that, in the interests of transparency, the secretariat's contribution to the work being carried out by the Director-General on the international development strategy could be made available to co-ordinators of regional groups and the representative of China if they so wished.

Notes

a/ Annexed by decision of the Board at its 752nd meeting, on 19 May 1989.

b/ A/43/435-S/19974, para. 22.

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